

HOME BUILDERS ASSOCIATION OF CONNECTICUT, INC.

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Your Home Is Our Business

March 6, 2009

To:

Senator Eric Coleman, Co-Chairman

Representative Brendan Sharkey, Co-Chairman

Members of the Planning & Development Committee

From: Bill Ethier, CAE, Chief Executive Officer

Re:

Raised Bill 6586, AAC Expedited Economic Development Permit Applications

Teams

The HBA of Connecticut is a professional trade association with almost one thousand, three hundred (1,300) member firms statewide, employing tens of thousands of Connecticut citizens. Our members are residential and commercial builders, land developers, remodelers, general contractors, subcontractors, suppliers and those businesses and professionals that provide services to this diverse industry. We also created and administer the Connecticut Developers Council, a professional forum for the land development industry in the state.

The HBA of Connecticut supports the concept of RB 6586 to help streamline and expedite the permit approval process. We urge you to review our testimony on proposed bill 5868, offered on February 18, highlighting Connecticut's extremely difficult development and permitting environment. We do not repeat that testimony here but it supports the need for permit streamlining in this state. We also urge you to review and coordinate the effort on this bill with RB 6506, An Act Streamlining the Permit Approval Process, which has had a public hearing in the Commerce Committee. Sen. Bob Duff's proposed bill, SB 580, which is in your possession, also includes a similar concept.

RB 6586 promotes the establishment of action review teams to expedite the review of permit applications for projects that produce permanent, full-time equivalent jobs or are located in brownfields. We hope that residential developments will also directly benefit and be able to take advantage of these expedited reviews. According to the National Association of Home Builders, the construction of 100 single family homes creates 284 local jobs in the year of construction (about 80% are construction jobs and 20% are other local jobs). These 100 new homes also create 63 additional annually recurring local jobs. New homes create these annually recurring local jobs because of the economic activity of new home owners, from buying pizza and furnishings to landscaping to filling their gas tanks and making other purchases in the community. In addition, in Connecticut, for every dollar spent on construction, another \$1.06 in indirect spending is created. And, in Connecticut, it is estimated that for every job in construction, another 1.2 jobs is created in the broader economy. Housing construction is and always has been a driver in the larger economy when housing is up, our economy is up, and now we know the reverse is true - so housing construction should also be promoted through expedited permit processes.

While we support the concept of this bill (and the others mentioned above), we strongly urge adding language to RB 6586 that prohibits a memorandum of understanding

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among participating agencies and municipalities from waiving the statutory timeline for processing permits pursuant to section 8-7d, i.e., making the processing deadlines in that section longer. Also, the public hearing process beginning at line 58 seems unnecessary and will add significant time to permit processes that may already have public hearings. Adding a new public hearing to processes that already provide for public comment will not streamline or expedite permit approvals.

Finally, we urge that you include a specific reference to residential developments of a certain size (e.g., 100 or more dwelling units) as eligible for assistance from the action review teams.

We urge you to positively review this bill with the changes recommended above and to ensure that residential development, which also produces significant permanent jobs, may benefit from its provisions. The critically important point is that the need for this bill could not be greater and now, when development activity is at a low point, is the time to do it.

Thank you for the opportunity to comment on this important legislation.